IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS FORTH WORTH DIVISION

IN RE:

MICHAEL AARON PRITCHARD, xxxxx-2551 JOI LYNN PRITCHARD, xxx-xx-4662 3926 WENTWORTH DR. ARLINGTON, TX 76001

Debtor.

Chapter 13

Case No.: 24-42560-MXM

COURT HEARING: Thursday, Oct. 17, 2024 at 8:30 AM

FILED

OCT 04 2024

CLERK, U.S. BANKRUPTCY COURT NORTHERN DISTRICT OF TEXAS

OBJECTION TO CONFIRMATION BY KERRY S. CULPEPPER

TO THE HONORABLE MARK X MULLIN, U.S. BANKRUPTCY JUDGE:

NOW COMES KERRY S. CULPEPPER ("Culpepper"), an unsecured creditor and party of interest appearing *pro se*, and pursuant to 11 U.S.C. §§ 1322(b)(4), 1322(b)(5), 1322(b)(8), 1322(b)(10), 1324(a), and 1325(a)(4), and Bankruptcy Rule 3015(f) files his Objection to Confirmation of Debtors' proposed Chapter 13 Plan ("Plan"), and in support thereof asserts as follows:

FACTUAL BACKGROUND

- 1. Debtors' listed Culpepper as an unsecured creditor in Debtors' Petition with listed claim of zero dollars. *See* Doc. #1 at pg. 32.
- 2. Debtors state that A and J Graphics, LLC ("A&J") is a business that is part of the bankruptcy estate. *See* Doc. #1 at pg. 56.

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- 3. Culpepper was lead counsel for Plaintiff/Judgment Creditor Animaccord Ltd. ("Animaccord") in the action Animaccord LTD v. Individuals, P'ships & Unincorporated Ass'ns Identified on Schedule "A", Case No. 1:22-cv-868 (LMB/WEF) in the Eastern District of Virginia (The "EDVA Action") alleging liability against multiple Defendants including A&J for willful copyright infringement, willful Federal trademark infringement, Federal unfair competition, Federal dilution and trademark infringement under Virginia law of Animaccord's Masha and the Bear Marks and Copyrighted Works.
- 4. On June 9, 2023 (prior to the Debtors' petition date), the Eastern District of Virginia found that A&J's trademark and copyright infringements were willful and awarded a final default judgment against A&J in the amount of \$25,000 in statutory damages, \$1714.40 in attorneys' fees, and \$149.83 in costs, with post-judgment interest at the official rate and permanently enjoined A&J from infringing Animaccord's Masha and the Bear Trademarks and Copyrighted Works. *See Animaccord LTD v. Individuals, P'ships & Unincorporated Ass'ns Identified on Schedule "A"*, No. 1:22-cv-868 (LMB/WEF), 2023 U.S. Dist. LEXIS 101050, at *8 (E.D. Va. June 9, 2023); Exhibit "1".
- 5. Debtors were served a copy of the default judgment in the EDVA Action.

- 6. Debtors have not appealed the default judgment in the EDVA Action or otherwise sought to have it overturned.
- 7. Debtors failed to include the amount of the monetary judgment in the EDVA Action in their petition.
- 8. Culpepper attended the meeting and creditors and exchanged informal discovery with debtors' counsel. Information obtained in informal discovery leads Culpepper to believe that A&J may have insurance coverage for the judgment in the EDVA Action. Namely, Debtor's profit and loss statement for A&J mentions payments for insurance. Culpepper has requested a copy of the insurance policy from debtor's counsel.

OBJECTION TO PROPOSED PLAN

Culpepper objects to the confirmation of the Plan because it does not consider proceeds from an insurance claim or list the at least \$1714.40 of the EDVA Action judgment that is fees due to Culpepper.

Culpepper objects to the confirmation of the plan because he (and Animaccord) would be entitled to the insurance proceeds under a Chapter 7 liquidation of Debtor's estate. Thus, the Plan provides Culpepper with less than he would be entitled to under a Chapter 7 liquidation.

Culpepper further object to the confirmation of the plan to the extent that it concludes that the EDVA Action judgment is dischargeable. As A&J's

infringements of Animaccords trademarks and copyrights were willful and malicious, the default judgment is nondischargeable under the provisions of 11 U.S.C. §523(a)(6).

PRAYER

WHEREFORE, Culpepper prays that this Court deny confirmation of the Plan as proposed, and grant him such other and further relief as dictated by justice.

DATED: Kailua-Kona, Hawaii, Sept. 30, 2024.

Kerry S. Culpepper

75-170 Hualalai Road, Suite B204

Kailua-Kona, Hawaii 96740 Telephone: (808) 464-4047

Telephone: (808) 464-4047 Facsimile: (202) 204-5181

E-Mail: kculpepper@culpepperip.com

Pro se

CERTIFICATE OF SERVICE

I hereby certify that on Sept. 30, 2024, I caused a copy of the foregoing to be served upon the Parties in the attached serve matrix by first class mail.

Kerry S. Culpepper

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E-Mail: kculpepper@culpepperip.com

EXHIBIT "1"

IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA Alexandria Division

ANIMACCORD LTD.,)	
Plaintiff,)	
v. THE INDIVIDUALS, PARTNERSHIPS AND UNINCORPORATED ASSOCIATIONS IDENTIFIED ON SCHEDULE "A," et al.,))))	1:22-ev-868 (LMB/WEF)
Defendants.)	

JUDGMENT ORDER

For the reasons stated in the accompanying Memorandum Opinion [Dkt. No. 118], plaintiff Animaccord Ltd.'s ("plaintiff") Motion for Default Judgment [Dkt. No. 102] is GRANTED IN PART as to defendant A and J Graphics LLC. Accordingly, it is hereby

ORDERED that judgment in the total amount of \$26,864.23, consisting of \$25,000 in statutory damages, \$1,714.40 in attorneys' fees, and \$149.83 in costs, with post-judgment interest at the official rate for federal judgments, be and is entered in favor of plaintiff

Animaccord Ltd. against defendant A and J Graphics LLC; and it is further

ORDERED, ADJUDGED, AND DECREED that defendant A and J Graphics LLC, together with its officers, directors, employees, agents, subsidiaries, distributors, and all those in active concert or participation with it, is permanently enjoined from:

1. Manufacturing, importing, advertising, promoting, offering to sell, selling, distributing, or transferring any products bearing the trademarks shown in Exhibits 1 to 4 of the

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Amended Complaint ("Masha and the Bear Marks"), or any confusingly similar trademarks, other than those actually manufactured or distributed by plaintiff;

- 2. Using any reproduction, counterfeit, copy, or colorable imitation of the Masha and the Bear copyrighted works identified in Exhibit 5 of the Amended Complaint ("Copyrighted Works") in connection with the publicity, promotion, sale, or advertising of any goods;
- 3. Using the Masha and the Bear Marks, confusingly similar trademarks, or unauthorized copies of the Copyrighted Works on or in connection with all Internet based e-commerce stores owned and operated, or controlled by it, including the Internet based e-commerce stores operating under the Seller ID "AandJGraphicsLLC"; and it is further

ORDERED that Etsy shall upon receipt of notice of this Order transfer to plaintiff
Animaccord Ltd. c/o counsel Kerry S. Culpepper at 75-170 Hualalai Rd, Suite B204, Kailua
Kona, Hawaii 96740, any funds currently restrained in the accounts of A and J Graphics LLC
pursuant to the Temporary Restraining Order entered on August 17, 2022 [Dkt. No. 11], for
payment of this judgment only; and it is further

ORDERED that upon notice from the plaintiff Animaccord Ltd. that such funds have been transferred, all third party financial institutions, payment processors, banks, escrow services, money transmitters, or marketplace platforms that have restrained A and J Graphics LLC's funds pursuant to the Temporary Restraining Order entered on August 17, 2022 shall unfreeze those accounts.

To appeal any aspect of this Order, defendant must file a written notice of appeal with the Clerk of the Court within thirty (30) days of the date of entry of this Order. A notice of appeal is a short statement indicating a desire to appeal, including the date of the order defendant wants to

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appeal. Defendant need not explain the grounds for appeal until so directed by the court of appeals. Failure to file a timely notice of appeal waives defendant's right to appeal this decision.

The Clerk is directed to enter judgment in favor of plaintiff against defendant A and J Graphics LLC pursuant to Fed. R. Civ. P. 55, forward copies of this Order and the accompanying Memorandum Opinion to counsel of record and defendant at the address listed below, and close this civil action.

A and J Graphics LLC 3926 Wentworth Dr. Arlington, Texas 76001

Entered this 9 day of June, 2023.

Alexandria, Virginia

Leonie M. Brinkema

United States District Judge

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Label Matrix for local noticing 0539-4 Case 24-42560-mxm13 Northern District of Texas Ft. Worth Mon Sep 30 16:35:29 CDT 2024 501 W. Tenth Street Fort Worth, TX 76102-3637

Bank Of America N.A. PO Box 31785 Tampa, FL 33631-3785 Tarrant County
Linebarger Goggan Blair & Sampson, LLP
c/o Camille Stecker
2777 N. Stemmons Freeway
Suite 1000
Dallas, TX 75207-2328

Wells Fargo Bank N.A., d/b/a Wells Fargo A PO Box 169005 Irving, TX 75016-9005 ACG Equipment
14425 Falcon Head Blvd
Bld E
Austin, TX 78738-4412

Bank of America Attn: Bankruptcy 4909 Savarese Circle Tampa, FL 33634-2413 Bank of America N.A. c/o McCarthy Holthus, LLP 1255 West 15th Street, Suite 1060 Plano, TX 75075-4220 Bank of America, N.A. PO Box 673033 Dallas, TX 75267-3033

Barclaycard Card Services PO Box 60517 City of Industry, CA 91716-0517 Baylor Scott & White Orthopedic and Spine 707 Highlander Blvd Arlington, TX 76015-4319 Baylor Surgical Hospital 400 I-635 Irving, TX 75063

Best Buy Credit Services PO Box 78009 Phoenix, AZ 85062-8009 Bill Me Later P.O. Box 2394 Omaha, NE 68103-2394 Bk Of Amer Attn: Bankruptcy 100 North Tryon St Charlotte, NC 28255-0001

Bryeans and Garcia, PLLC 5001 S Cooper St, Ste 209 Arlington, TX 76017-5993 Capital One Attn: Bankruptcy PO Box 30285 Salt Lake City, UT 84130-0285 Capital One N.A.
by AIS InfoSource LP as agent
PO Box 71083
Charlotte, NC 28272-1083

Citibank P.O. Box 6500 Sioux Falls, SD 57117-6500 Comenity - Victoria's Secret PO Box 659728 San Antonio, TX 78265-9728 (p) CREDIT CONTROL LLC
ATTN CORRESPONDENCE
3300 RIDER TRAIL S
SUITE 500
EARTH CITY MO 63045-1338

Dallas County
Linebarger Goggan Blair & Sampson, LLP
c/o Camille Stecker
2777 N. Stemmons Freeway
Suite 1000
Dallas, TX 75207-2328
(p)JAVITCH BLOCK
1100 SUPERIOR AVENUE

Family Healthcare Assoc PO Box 735762 Dallas, TX 75373-5762 Internal Revenue Service PO Box 7346 Philadelphia, PA 19101-7346

(p) JEFFERSON CAPITAL SYSTEMS LLC PO BOX 7999 SAINT CLOUD MN 56302-7999 Kerry S. Culpepper 75-170 Hualalai Rd, Ste B204 Kailua-Kona, HI 96740-1737

LVNV Funding, LLC Resurgent Capital Services PO Box 10587 Greenville, SC 29603-0587

CLEVELAND OH 44114-2521

19TH FLOOR

Lvnv Funding/Resurgent Capital Attn: Bankruptcy PO Box 10497 Greenville, SC 29603-0497 Midland Credit Management, Inc. PO Box 2037 Warren, MI 48090-2037

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Midland Credit Mgmt Attn: Bankruptcy PO Box 939069 San Diego, CA 92193-9069 NEBRASKA FURNITURE MART 5600 NEBRASKA FURNITURE MART DR #08444 THE COLONY, TX 75056-5348 NTTA PO Box 660244 Dallas, TX 75266-0244

Nebraska Furniture Mart Attn: Collections PO Box 2335 Omaha, NE 68103-2335 Office of the Attorney General PO Box 12548 Austin, TX 78711-2548 (p) PORTFOLIO RECOVERY ASSOCIATES LLC PO BOX 41067 NORFOLK VA 23541-1067

PayPal Credit PO Box 960080 Orlando, FL 32896-0080

Pinnacle Credit Services, LLC Resurgent Capital Services PO Box 10587 Greenville, SC 29603-0587 SANTANDER CONSUMER USA P.O. Box 560284 Dallas, TX 75356-0284

Santander Consumer USA, Inc Attn: Bankruptcy PO Box 961245 Fort Worth, TX 76161-0244 Sears PO Box 6275 Sioux Falls, SD 57117-6275 Sheffield Financial Attn: Bankruptcy 214 N Tryon St Charlotte, NC 28202-1078

Sheffield Financial, a division of Truist Ba PO Box 1847 Wilson, NC 27894-1847 Synchrony Bank
by AIS InfoSource LP as agent
PO Box 4457
Houston, TX 77210-4457

Synchrony Bank/Amazon Attn: Bankruptcy PO Box 965060 Orlando, FL 32896-5060

Synchrony Bank/Care Credit Attn: Bankruptcy PO Box 965060 Orlando, FL 32896-5060 Synchrony Bank/Floor & Decor Attn: Bankruptcy PO Box 965060 Orlando FL 32896-5060 Synchrony Bank/Select Comfort Attn: Bankruptcy PO Box 965060 Orlando, FL 32896~5060

Synchrony Bank/Walmart Po Box 965060 Orlando, FL 32896-5060 TTCU Attn: Bankruptcy P.O. Box 477550 Tulsa, OK 74147-7505 TTCU Federal Credit Union PO Box 477550 Tulsa, OK 74147-7505

Tractor Supply Credit Card PO Box 6403 Sioux Falls, SD 57117-6403 Tyler Southwick Hyland Law PLLc 1818 Library St., Ste 500 Reston, VA 20190-6274 United States Trustee 1100 Commerce Street Room 976 Dallas, TX 75242-0996

Wells Fargo Bank NA Attn: Bankruptcy 1 Home Campus MAC X2303-01A 3rd Floor Des Moines, IA 50328-0001 Wells Fargo Bank, N.A. Wells Fargo Card Services PO Box 10438, MAC F8235-02F Des Moines, IA 50306-0438 Wells Fargo Dealer Services Attn: Bankruptcy 1100 Corporate Center Drive Raleigh, NC 27607-5066

Jesse Schodrof Garcia Bryeans & Garcia, PLLC 5001 S. Cooper Street Ste 209 Arlington, TX 76017-5993 Joi Lynn Pritchard 3926 Wentwortth Drive Arlington, TX 76001-5298 Michael Aaron Pritchard 3926 Wentwortth Drive Arlington, TX 76001-5298 Tim Truman 6851 N.E. Loop 820, Suite 300 N Richland Hills, TX 76180-6608

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Credit Control, LLC 5757 Phantom Dr, #130 Hazelwood, MO 63042 Javitch Block LLC 275 W. Campbell, STe 312 Richardson, TX 75080 Jefferson Capital Systems LLC PO Box 7999 St, Cloud, MN 56302-9617

PORTFOLIO RECOVERY ASSOCIATES, LLC POB 41067 Norfolk, VA 23541 (d)Portfolio Recovery Associates 120 Corporate Blvd Norfolk, VA 23502

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Bank of America N.A. PO Box 31785

Tampa, FL 33631-3785

(d)Tarrant County Linebarger Goggan Blair & Sampson, LLP c/o Camille Stecker 2777 N. Stemmons Freeway Suite 1000 Dallas, TX 75207-2328

(d)United States Trustee 1100 Commerce Street, Room 976 Dallas, TX 75242-0996

End of Label Matrix
Mailable recipients 60
Bypassed recipients 3
Total 63